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IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

I.T.A. No. 255 of 2003
Date of decision:12.12.2006

The Commissioner of Income-Tax, Patiala ...Appellant

Versus

M/S Punjab Tractors Ltd., Phase-IV, SAS Nagar(Mohali)

...Respondent

CORAM: HON'BLE MR.JUSTICE ADARSH KUMAR GOEL
HON'BLE MR.JUSTICE RAJESH BINDAL

Present: Dr.N.L.Sharda, Advocate for the Revenue.
Mr.Pankaj Jain, Advocate for the respondent.

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JUDGMENT

This appeal has been preferred under Section 260-A of Income Tax Act, 1961 proposing the following substantial question of law arising out of the order dated 2.6.2003 of the Income Tax Appellate Tribunal, Chandigarh Bench 'A' Chandigarh passed in ITA No.9/Chandi/2002 in respect of the assessment year 1998-99:-

> "Whether on the facts and in the circumstances of the case, the I.T.A.T. was right in law in holding that for the purpose of calculation of deduction u/s 80 HHC of the I.T.Act, 1961, sales tax, excise duty etc. should not be included in the "total turnover" in view of Explanation (ba) below sub-section (4B) of Section 80 HHC of the Income Tax Act, 1961?"

Learned counsel for the Revenue points out that the issue has been gone into by this Court in Commissioner of Income Tax-I, Ludhiana Vs. M/S Vardhman Polytex Ltd., Chandigarh Road, Ludhiana, ITA No.293 of 2005 decided on 22.5.2006 and the question has been answered against the Revenue and in favour of the assessee.

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In view of the judgment of this Court referred to above, the question proposed cannot be held to be a substantial question of law.

The appeal is dismissed.

(Adarsh Kumar Goel)
Judge

December 12, 2006 **(Rajesh Bindal)**
Pka **Judge**

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